

Message Text

UNCLASSIFIED

PAGE 01 STATE 199327

73

ORIGIN EB-11

INFO OCT-01 EUR-25 EA-11 ISO-00 CAB-09 CIAE-00 COME-00

DODE-00 INR-10 NSAE-00 RSC-01 FAA-00 L-03 DOTE-00

/071 R

DRAFTED BY EB/OA/AVP:WPCLAPPIN:DWL

APPROVED BY EB/OA:JSMEADOWS

EB/OA/AVP - MR. SILBERSTEIN

EUR/WE - MR. BEIGEL

CAB - MR. DEEGAN

L/EB - MR. GAITHER

----- 037695

R 060011Z OCT 73

FM SECSTATE WASHDC

TO AMEMBASSY PARIS

INFO AMCONSUL MELBOURNE

AMEMBASSY SUVA

AMEMBASSY WELLINGTON

AMEMBASSY CANBERRA

AMEMBASSY LONDON

UNCLAS STATE 199327

E.O. 11652: N/A

TAGS: ETRN, FR, XP

SUBJ: CIVAIR - CAB DISAPPROVAL OF IATA AGREEMENT ON SOUTH
PACIFIC FARES

REF : PARIS 25767 (NOTAL)

1. ABRAHAM COMPLAINT RE CAB ORDER 73-9-58 DISAPPROVING
PORTIONS OF IATA SOUTH PACIFIC AGREEMENT APPARENTLY BASED
ON MISUNDERSTANDING OF CAB ACTION.

2. CAB IN ORDER 73-7-55 (JULY 12, 1973) APPROVED IATA
SOUTH PACIFIC AGREEMENT. HOWEVER, CAB APPROVAL WAS
CONDITIONAL IN RELATION TO SOME OF THE FARES IATA
PROPOSED. UNDER THE IATA PROPOSAL, FARES FROM SOUTH
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 STATE 199327

PACIFIC POINTS TO HAWAII PLUS U.S. DOMESTIC FARES FROM

HAWAII TO MAINLAND POINTS ARE LOWER THAN THE IATA DIRECT MAINLAND U.S./SOUTH PACIFIC FARES. CAB NOTED THIS DISPARITY IN ITS APPROVAL AND SAID: "WHILE WE HAVE DECIDED TO APPROVE THE SUBJECT AGREEMENT NOW, PURSUANT TO CONDITIONS PREVIOUSLY APPLIED, WE EXPECT THE AFFECTED CARRIERS TO FURNISH COMPLETE AND FACTUAL ANALYSIS WHY THIS ANOMALY CONTINUES TO EXIST. OUR ACTION OF APPROVAL HEREIN IS SUBJECT TO MODIFICATION AFTER RECEIPT AND EVALUATION OF CARRIER JUSTIFICATION AND COMMENTS FROM INTERESTED THIRD PARTIES." AS A RESULT OF THE EVALUATION, CAB SEPT. 14, 1973 (ORDER 73-9-58) DISAPPROVED THOSE IATA RESOLUTIONS INCLUDED IN THE SOUTH PACIFIC AGREEMENT WHICH ARE RELATED TO THE FARES IN QUESTION AND WHICH HAD BEEN CONDITIONALLY APPROVED BY THE BOARD JULY 12.

3. WHAT CAB HAS DONE IS TO DISAPPROVE PART OF THE IATA SOUTH PACIFIC AGREEMENT; IT HAS TAKEN NO ACTION AGAINST THE TARIFFS CARRIERS, INCLUDING AIR FRANCE, HAD FILED PURSUANT TO THAT PORTION OF THE IATA AGREEMENT. THE TARIFFS REMAIN IN FORCE. HOWEVER, THE CARRIERS THAT FILED THEM NO LONGER ENJOY THE ANTI-TRUST IMMUNITY PROVIDED UNDER SECTION 414 OF THE FEDERAL AVIATION ACT OF 1958 WHEN AN AGREEMENT HAS BOARD APPROVAL.

4. IN LIGHT OF FOREGOING, EMBASSY SHOULD POINT OUT TO ABRAHAM THAT QUESTION OF APPLICATION RATE ARTICLE WAS NOT APPLICABLE TO ACTION CAB HAS TAKEN AND THAT ACTION COULD NOT THEREFORE BE VIEWED AS BEING TAKEN WITHOUT REGARD TO EXISTENCE OF BILATERAL AGREEMENT.

5. WE HOPE THAT ABRAHAM CAN UNDERSTAND, DUE TO CIRCUMSTANCES INVOLVED, WHY PAN AM OR OTHER U.S. CARRIERS WOULD FILE NEW TARIFFS WITH CAB AT THIS TIME TO REMOVE POSSIBILITY OF ANTI-TRUST ACTION AGAINST THEM. WE WOULD ALSO HOPE THAT SGAC WOULD, IN LIGHT OF FACTS, GIVE APPROPRIATE CONSIDERATION TO SUBSTANCE NEW U.S. CARRIER FILINGS.

6. IN SUM, CAB HAS DISAPPROVED SECTIONS OF AN IATA AGREEMENT (WHICH IS PREROGATIVE OF GOVERNMENTS NOT LIMITED BY BILATERAL AGREEMENTS) AS IT WARNED CARRIERS

UNCLASSIFIED

PAGE 03 STATE 199327

IT MIGHT IN ITS CONDITIONAL APPROVAL. CAB HAS NOT ACTED AGAINST TARIFFS AND THEREFORE NOTICE OF DISSATISFACTION AND CONSULTATION PROVISIONS OF RATE ARTICLE OF U.S./ FRENCH BILATERAL DID NOT COME INTO PLAY.

7. COPIES OF CAB ORDERS 73-7-55 AND 73-9-58 BEING POUCHED. RUSH

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: AVIATION AGREEMENTS, AIR FARES
Control Number: n/a
Copy: SINGLE
Draft Date: 06 OCT 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973STATE199327
Document Source: CORE
Document Unique ID: 00
Drafter: WPCLAPPIN:DWL
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19731045/aaaabhq.tel
Line Count: 114
Locator: TEXT ON-LINE
Office: ORIGIN EB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: PARIS 25767 (NOTAL)
Review Action: RELEASED, APPROVED
Review Authority: izenbei0
Review Comment: n/a
Review Content Flags:
Review Date: 20 AUG 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <20-Aug-2001 by phillir0>; APPROVED <12 MAR 2002 by izenbei0>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: CIVAIR - CAB DISAPPROVAL OF IATA AGREEMENT ON SOUTH PACIFIC FARES
TAGS: ETRN, FR, XP, CAB, IATA
To: PARIS
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005